

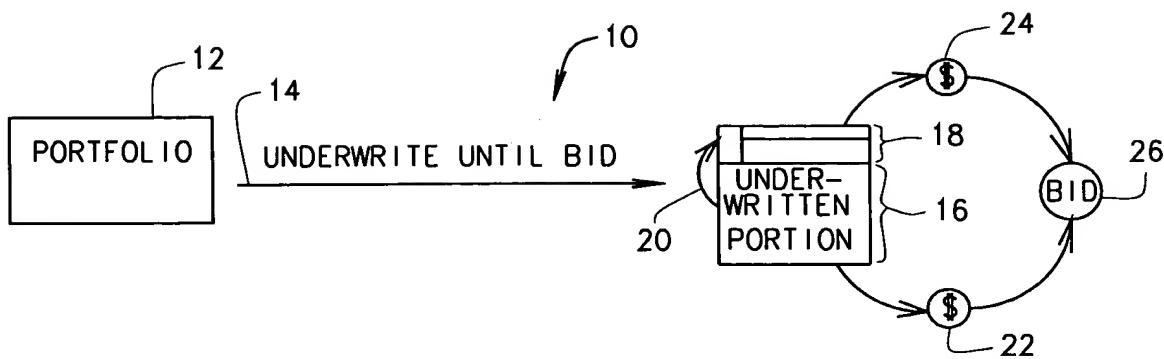
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FIG. 1
PRIOR ART

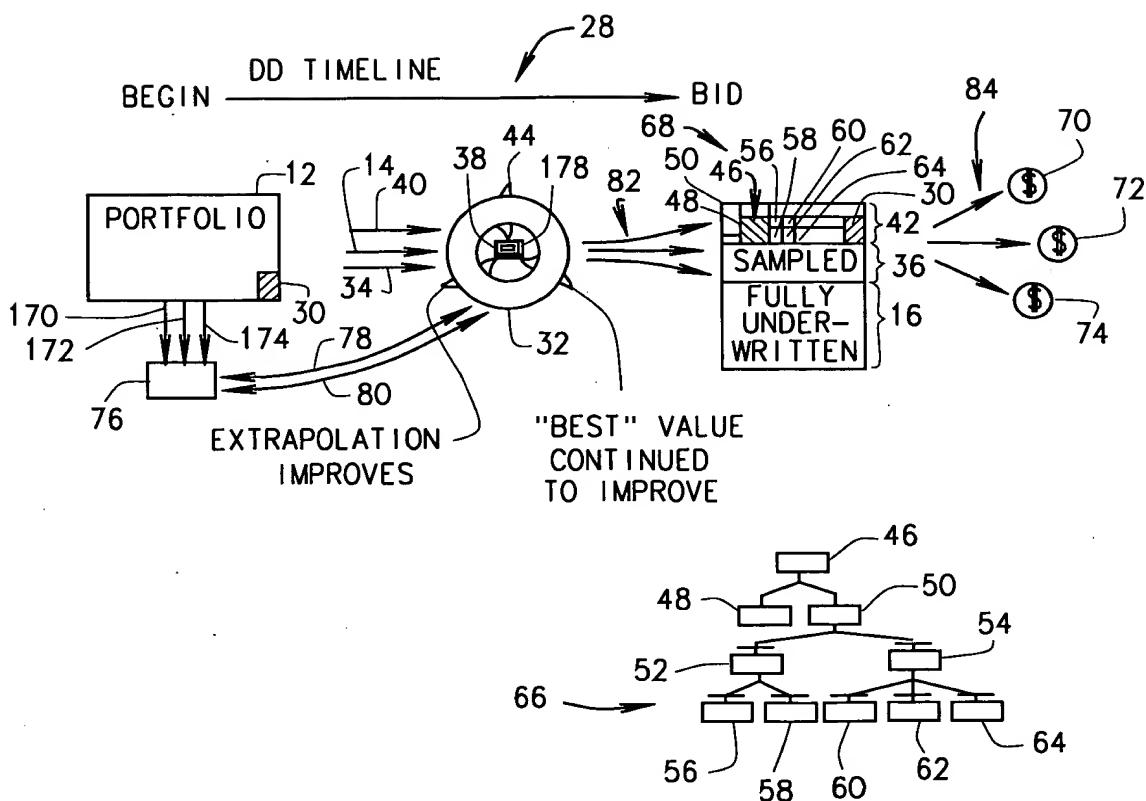
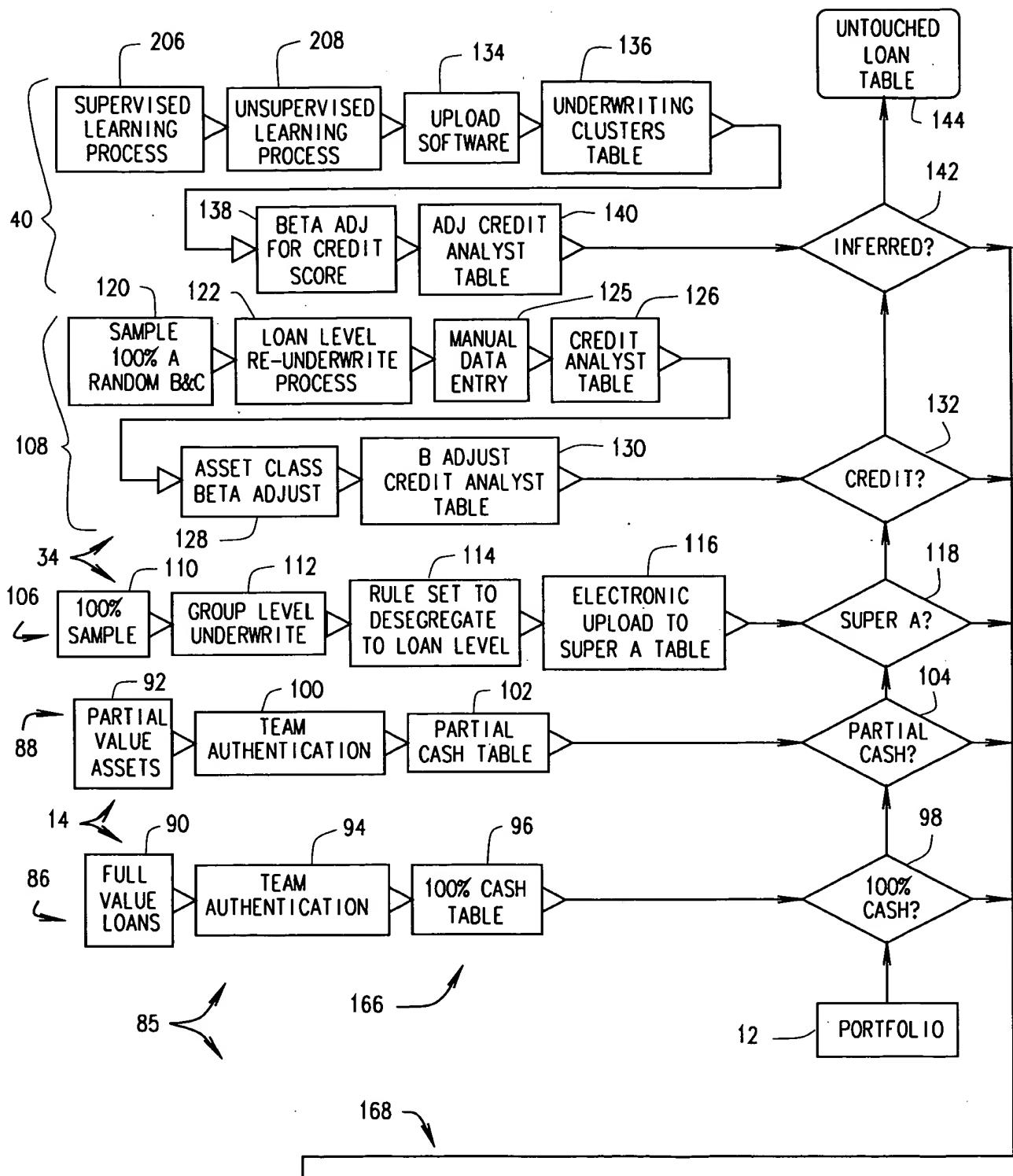


FIG. 2



TO FIG. 4

F I G . 3

FROM FIG. 3

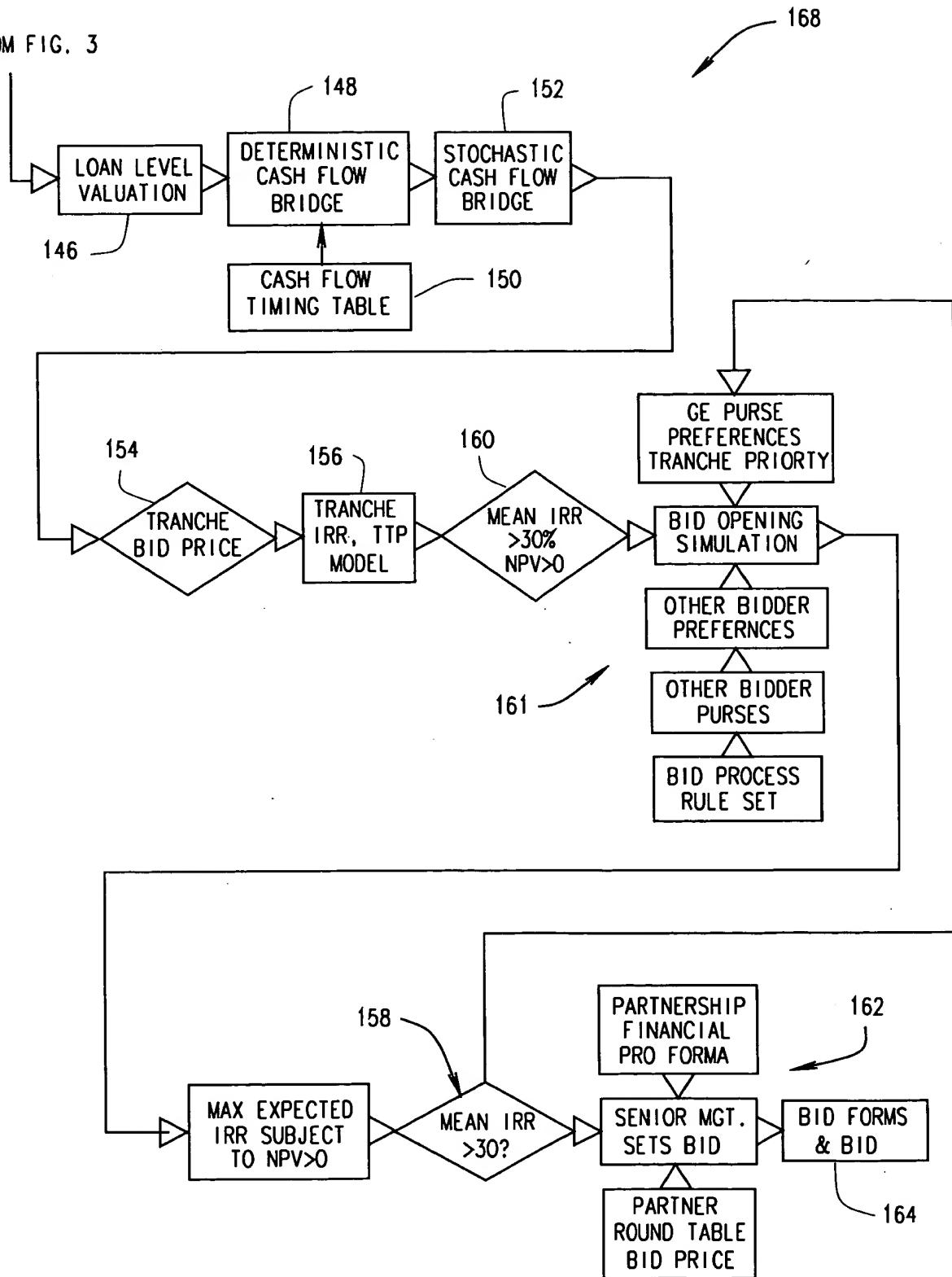


FIG. 4

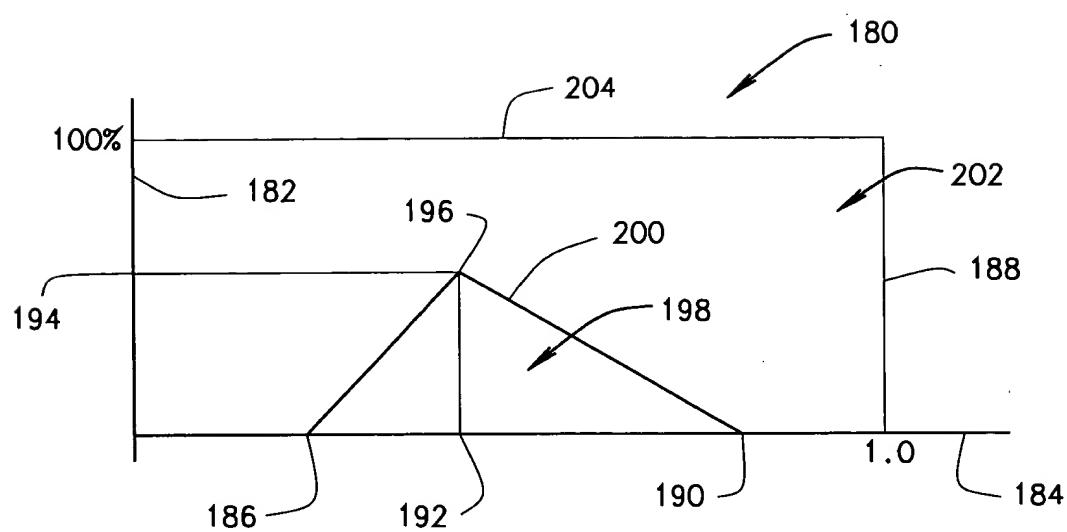


FIG. 5

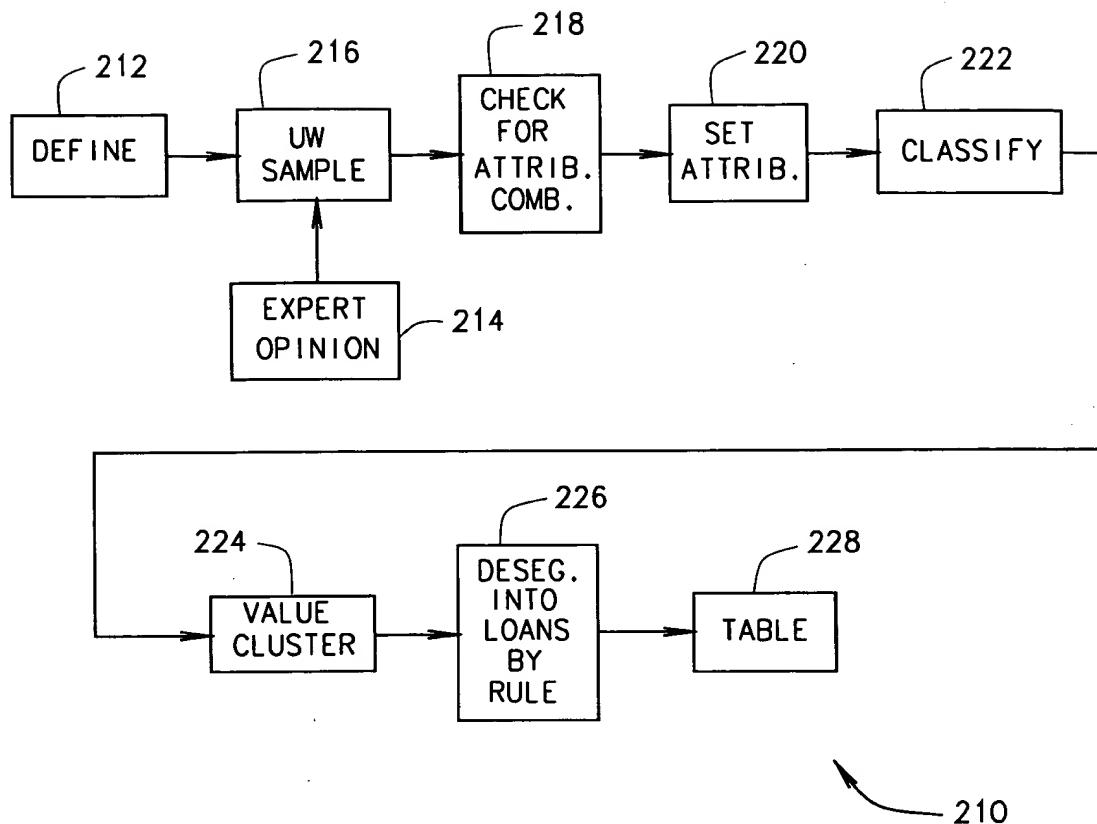


FIG. 6

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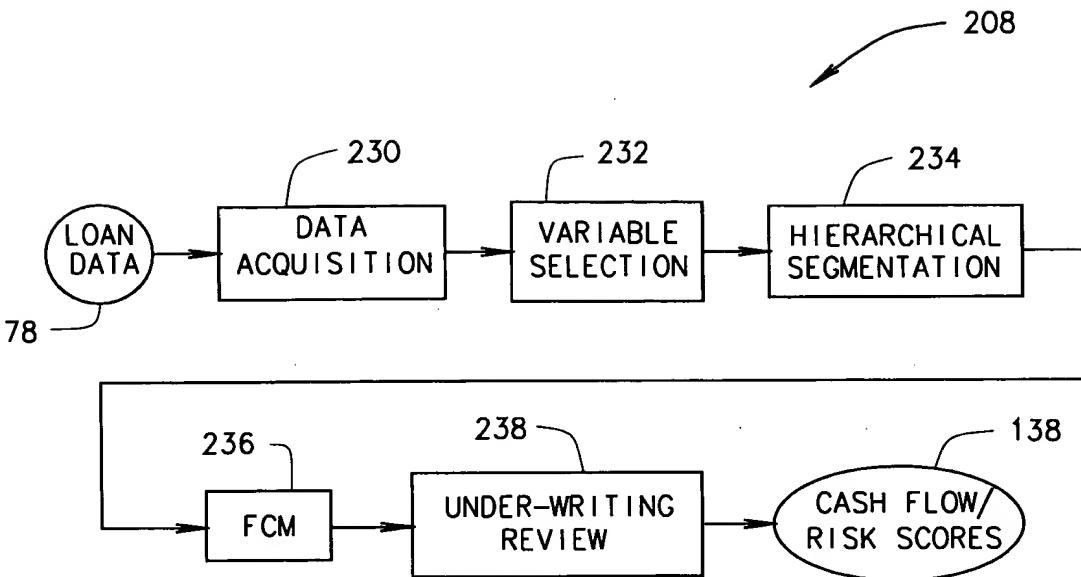


FIG. 7

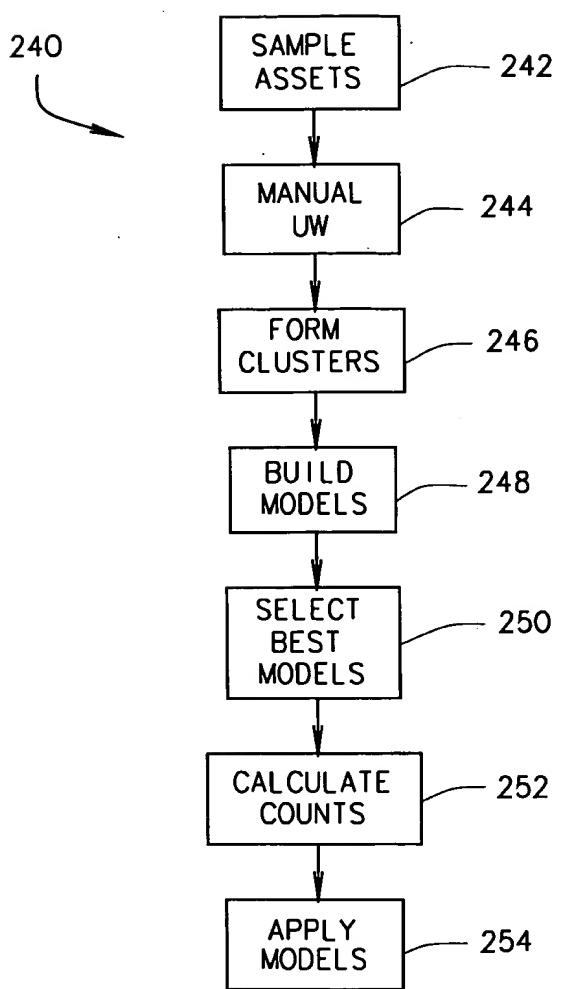


FIG. 8

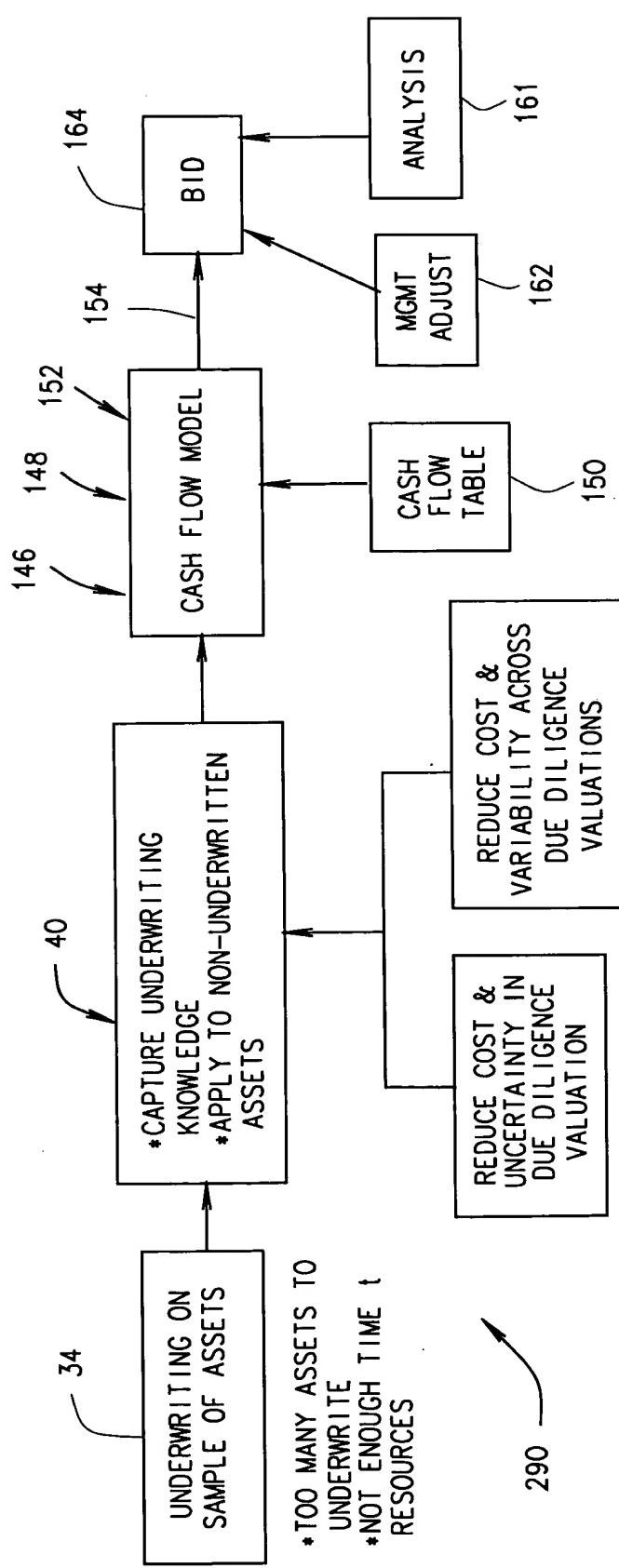


FIG. 9

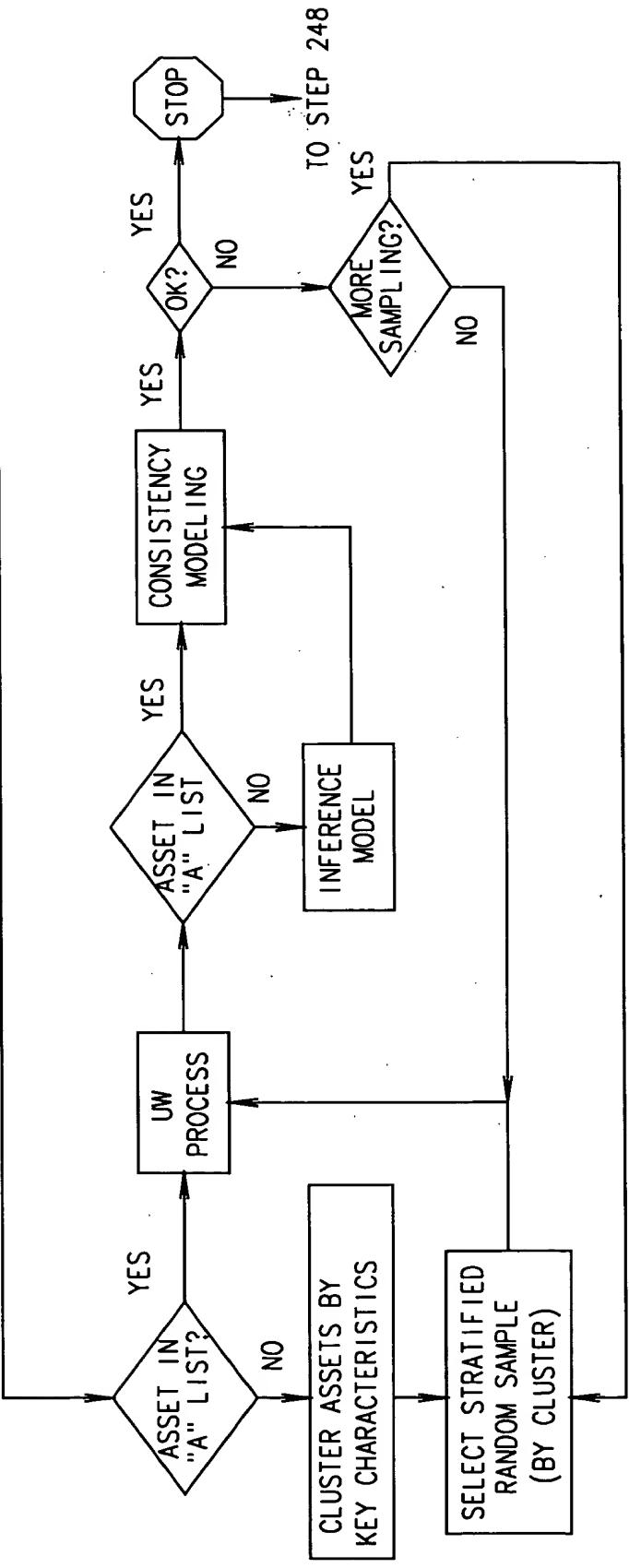
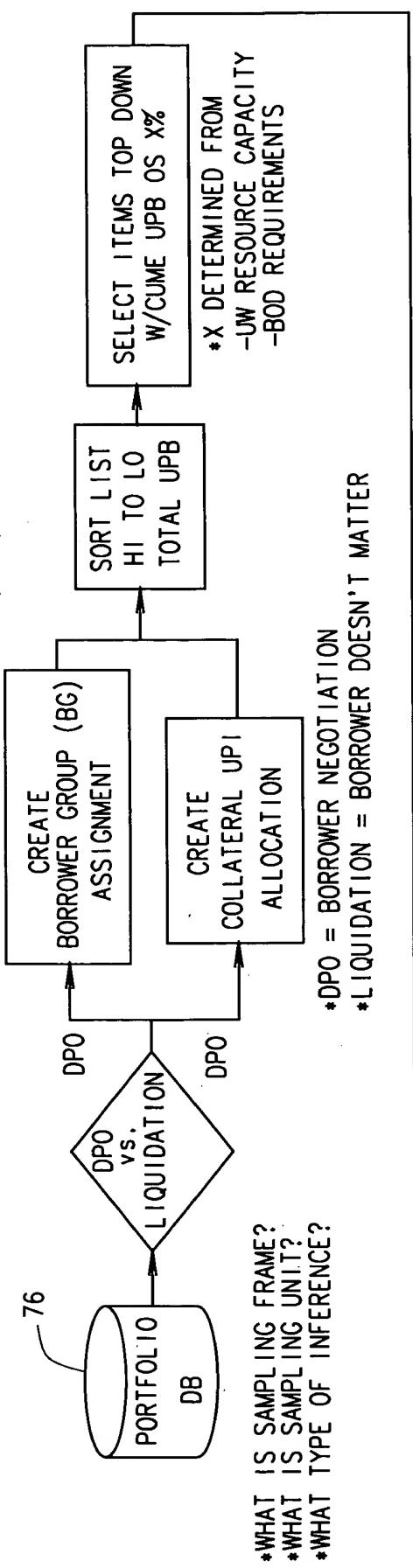


FIG. 10

6 MODELS BUILT:

- * MODELS DIFFER BY WHICH VARIABLES USED
- * UW ASSETS GET THE MINIMUM ERROR PREDICTION (ACTUAL-PREDICTED)

VARIABLES USED	LAND AREA	BLDG AREA	OLD APPRAISAL	GEN 1 PREDICTED CURRENT APPRAISAL	GEN 1 PREDICTED REALIZED PRICE	PROPERTY TYPE	LOCATION

MODEL "WEIGHTS":

- * EACH CELL IS COUNT OF TIMES THE MODEL PRODUCED BEST PREDICTION FOR UW ASSETS
- * DETERMINES WEIGHTS FOR AVERAGING PREDI

	MODEL	ASSET CLASS		TOTAL
COURT	AUCTION	COMMERCIAL		RESIDENTIAL
256				

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$$\frac{2}{3} \quad 2 \quad 15 \quad \vdots \quad 11 \quad 13 \quad 8 \quad 8 \quad 53$$

TOTAL COMMERCIAL
MARKET VALUE TOTAL RESIDENTIAL
MARKET VALUE

FIG. 11 TOTAL

248-

BUILD
MODELS

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GROUP MODEL		1	NON-UN	ASSL-13						SUM
1	13	13	13	13	8	8	32	32	87	
2	29	25	29	29	24	24	19	19	148	

1	5	10	4	12	51
2	4	7	9	13	23
3	2	15	11	13	8

1	16	13	11	15	21	86
2	29	22	29	24	19	150
						236
1	5	8	4	11	12	51
3	8	9	10	15	19	59

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VARIABLE	CATEGORY/VALUE RANGE	ENCODING SCHEME
LOAN SECURED	(YES, NO)	YES = 1, ELSE = 0
LOAN TYPE	(REVOLVING, NON-REVOLVING)	REVOLVING = 1 ELSE 0
LAST PAYMENT	(0, 250 MM)	0 IF LAST PAYMENT = 0 ELSE 1
NOTICE OF DEFAULT SENT		PRIOR TO JUN 97 EQUALS 1 ELSE 0
ORIGINAL MATURITY DATE		PRIOR TO JUN 97 EQUALS 1 ELSE 0
SYNDICATED LOAN	(YES, NO)	YES = 1, ELSE = 0
LOAN GUARANTEED	(YES, NO, NAV)	YES = 1, ELSE = 0
COLLECTION SCORE	(0, 1)	
LIEN POSITION	(-1, 0, 1)	1 IF LIEN POSITION = 1 ELSE 0
CURRENT PAID BALANCE/ORIGINAL BALANCE	(0, 2.9)	NORMALIZED TO (0, 1)
LAST PAYMENT TO INTEREST/LAST PAYMENT	(0, 1)	

FIG. 12

80

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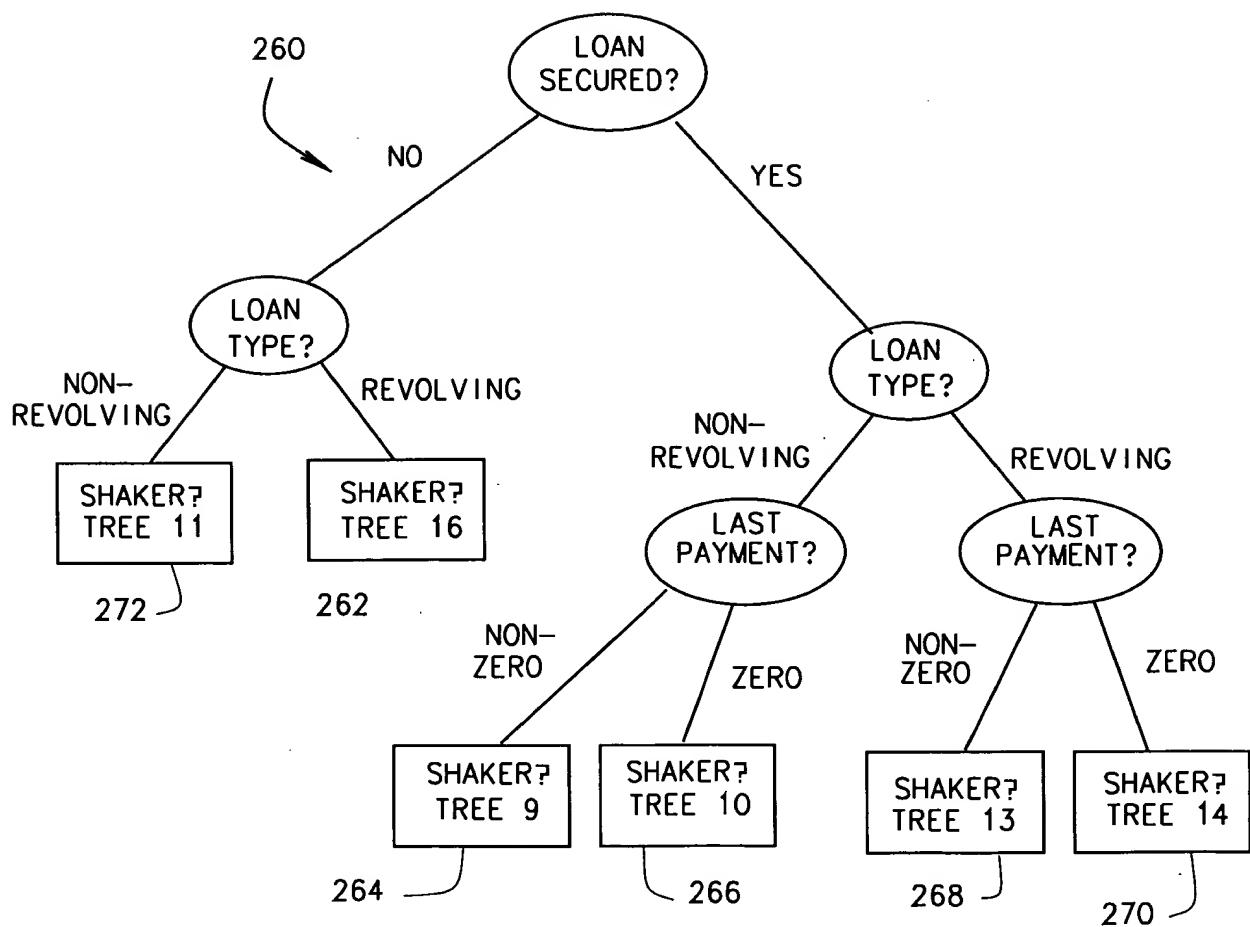


FIG. 13

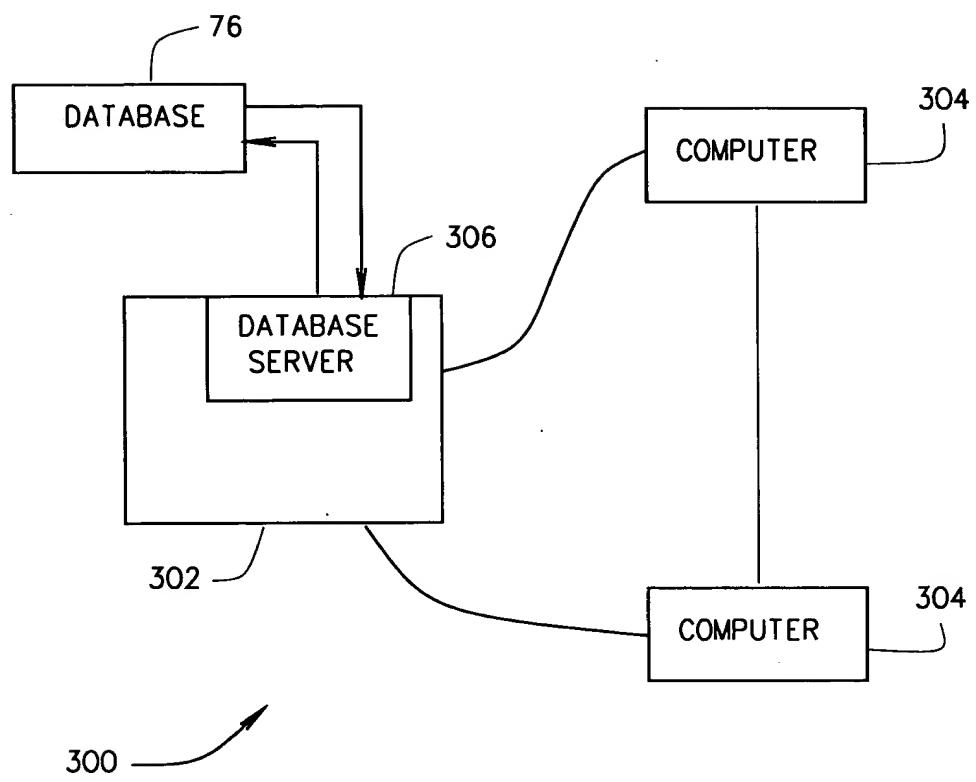


FIG. 14